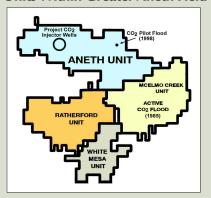
Aneth Unit

- 16,320 acres
- 421 Million Barrels of Oil in Place
- Over 149 Million Barrels Recovered (33% Recovery)
- Waterflood, 1962
- Infill Drilling to 40 acres, 1982; Infilling to 20 acres,

1988

Units Within Greater Aneth Field



McElmo Creek Unit

- Waterflood, 1962, 4000 BOPD
- Five-Spot Pattern, 80 acre to 40 acre Infills, 1976
- CO₂ Flood (Water Alternating with Gas [WAG]),

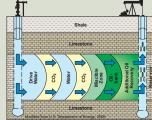
1985,

Increased Production from 4000 to 7000

BOPD

- Well Count
 - -Oil Producers 90
 - -Water Injectors 30 -WAG Injectors – 65
 - -Water Supply 9
 - -Shut-In -49
- Production Declined Since 1998
- CO₂ Cost \$0.40 to \$0.85 per MCFG
- CO₂ Concentration 97% Pure at McElmo Dome,

Water Alternating with Gas (WAĞ)



McElmo Creek Unit CO₂ Flood Program

McElmo Creek Unit Oil Production History and CO₂ and Water Injection



Aneth Unit Demonstration Site





MMV (Monitoring, Mitigation, Verification)

• Critically Assess CO₂ Impact to Aneth Reservoirs -Verify/Predict; CO₂ Placement and Movement in

-Impact to Reservoir (Reactivity, Fracturing) -Monitor Any CO₂ Leakage from Reservoir

• Create Most Economic MMV Tool Set to Carry Out Tailored Approach to Reservoir Type



MMV Tools - Field Experiments (CO₂ Placement-Movement)

• Imaging CO₂ Placement and Movement – Indirect Methods

- Time-lapse 2-D Seismic Reflection
- Variations on Vertical Seismic Profiles (VSP)
- Passive Seismic Monitoring - Active Doublet Methods
- Semi-3-D Reflection Survey (aka "Poor Man's 3-D")
- In Situ Pressure, Temperature, Bicarbonate
- Coupled Models to Measurements

• Direct Measurements of Movement:

- Groundwater: Trace Element, Major/Minor Ions, pH, Alkalinity, Isotopes, Inert Tracers (He, SF6, CFC's, Ar)

- CO₂ "Piezometers": Sub-Biotic Flux
- Surface CO₂ Flux: Chamber Measurements
- Remote Sensing/Landsat Measurements
- Coupled Process Reservoir Modeling

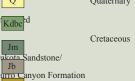
• Site Constraints

- Land Ownership Farmers
- Permitting Multi-Agency Federal Land
- Access Roads, Infrastructure
- Geology Complex Terrain



Quaternary





Identification of Potential CO₂ Surface Leakage Points Fractures and Faults

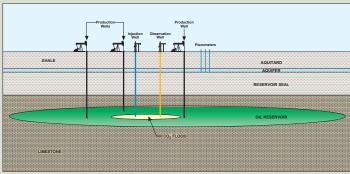
McElmo Creek Unit -



EXPLANATION OF GEOLOGIC UNITS McElmo Creek Unit - CO₂ Injection Well

MMV Tools – Field Experiments (Experimental Design)

- Observation Well: Geophones and Piezometer
- Water Wells: Transect Away from Injector Well (idea of flow path tracer)
- Flux Stations: Transect Away from Injector Well
- Surface Seismic: Grid Above Injector Well
- Piezometers: Transects in Soil from Injector Well



Specific Experiments: Aneth (2006-2009)

• Background Monitoring (May 2006)

- 3-D Seismic, "Poor Man's" 3-D, VSP,
 - Active Doublets, Passive Seismic Modeling (September 2006)
- Ground and Produced Water Chemical Analysis, CO2 Chamber Flux, Produced Gas Analysis, Remote Sensing (Beginning May 2006

and then Quarterly)

- CO₂ Piezometers, Pressure-Temperature-Bicarbonate Measurements

(Ongoing)

• Injection (September 2006)

- 150,000 t/yr for 3.5 yrs (April 2007)
- Ground and Produced Water Chemical Analysis, CO2 Chamber Flux, Produced Gas Analysis, Passive Seismic Modeling (Quarterly)

ACKNOWLEDGMENTS

This ongoing research is performed under the direction of the New Mexico Institute of Mining and Technology, Brian McPherson, Project Manager and Principal Investigator, as part of the Southwest Regional Partnership on Carbon Sequestration – Phase II: Field Demonstrations Project is funded by the U.S. Department of Energy through the National Energy Technology Laboratory, Contract No. DE-FC26-05NT42591.

Sharon Hamre, Cheryl Gustin, Jim Parker, and Mike Laine of the Utah Geological Survey, designed displays, drafted figures, and photographed core.